

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6203

BILL NUMBER: SB 67

NOTE PREPARED: Jan 20, 2005

BILL AMENDED: Jan 20, 2005

SUBJECT: Wireless Enhanced 911.

FIRST AUTHOR: Sen. Steele

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill specifies that a commercial mobile radio service (CMRS) provider may be reimbursed from the Wireless Emergency Telephone System Fund for costs incurred before July 1, 2005, to implement wireless enhanced 911 service. It allows part of the Wireless Enhanced 911 fee to be used to reimburse public safety answering points and the Wireless Enhanced 911 Advisory Board (board) for certain wireless enhanced 911 services required by the Federal Communications Commission (FCC) but not specified in the 1996 FCC order concerning wireless enhanced 911. It provides that after all CMRS providers have been reimbursed for expenses incurred before July 1, 2005, the board may reduce or reallocate the part of the fee used to reimburse CMRS providers. It prohibits the board from reimbursing a CMRS provider for expenses submitted after December 31, 2005. The bill also repeals an obsolete reference to pseudo-automatic number identification.

Effective Date: July 1, 2005.

Explanation of State Expenditures:

Explanation of State Revenues: Current statute allows for commercial mobile radio service (CMRS) providers, or wireless carriers, to be reimbursed for actual costs incurred while complying with the wireless 911 order from the Federal Communications Commission. This bill will make it so that wireless carriers will be able to seek reimbursement only for those costs incurred before July 1, 2005. Currently, \$0.25 of the monthly Wireless Emergency 911 fee is being deposited in a wireless carriers account for such reimbursements. Starting in 2006, the money used for the reimbursements would be diverted to an account for wireless carriers, Public Safety Access Points (PSAPs) and the Indiana Wireless Enhanced 911 Advisory Board to cover costs

specifically related to the implementation of Phase II of the FCC order and to the PSAPs and Board for other related costs.

The fiscal impact of this bill is dependent on the amount of money left over in the account once all wireless carriers have been reimbursed and on the number of subscribers paying the fee. As of December 31, 2004, the balance of the wireless carriers reimbursement account was approximately \$1.8 M. Any amount remaining in this account after December 31, 2005 would be transferred over to the PSAP and Board account.

As of July 2004, the Office of the State Treasurer reported there were approximately \$2.9 M wireless subscribers paying the monthly Wireless Emergency 911 fee. Based on the number of subscribers, the \$0.25 fee would generate approximately \$730,600 per month, which, beginning January 2006, would also be deposited in the PSAP and Board account.

Explanation of Local Expenditures:

Explanation of Local Revenues: Public Safety Access Points (PSAPs) could experience an increase in reimbursements from the monthly Wireless Emergency 911 fee. According to the Office of the State Treasurer, PSAPs have received approximately \$41.6 M since 1999 from the account mentioned above. See *Explanation of State Revenues*.

State Agencies Affected: Office of the State Treasurer, Wireless Enhanced 911 Advisory Board.

Local Agencies Affected: Public Safety Access Points.

Information Sources: Chris Ternet, Executive Director, Indiana Wireless E911 Advisory Board, Office of the State Treasurer.

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